Saskatchewan
Ministry of
Agriculture

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All stated cattle prices are based on the weekly Canfax Market Outlook and Summary.
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Cattle Market Update

For the Month Ending August 2, 2013

All prices are quoted in Canadian dollars per hundredweight ($/cwt) unless otherwise stated.

Feeder Cattle

Steers

	Range	Average	Change from last month (June 28)
300-400	-	-	-
400-500	-	-	-
500-600	-	-	-
600-700	138-150	144.00	+5.25
700-800	130-152	138.67	+7.67
800-900	124-149	135.75	+15.50
900+	-	-	-

Heifers

	Range	Average	Change from last month (June 28)
300-400	-	-	-
400-500	-	-	-
500-600	-	-	-
600-700	122-132	128.00	+4.62
700-800	117-135	128.78	+9.52
800+	115-129	122.00	+10.83

Source: Canfax.
Note: Prices are determined from Saskatchewan auction marts' reports of sale results from Thursday of the previous week to Thursday of the current week.

Canfax reported that a total of 14,066 head of cattle were sold in Saskatchewan over the last five weeks since June 28, up from 10,495 head marketed over the same five weeks in July 2012.

Feeder cattle prices were higher over the month as feed grain prices moved lower as a result of expectations of good feed grain crops in the U.S. and Canada. Average prices for feeder steers between 600 lb. and 900 lb. ranged from $5.25 per cwt to $15.50 per cwt higher, since June 28. Feeder steers below the 600 lb. range and the over 900 lb. range did not trade last week. Feeder heifers were also higher since June 28 ranging from $4.62 per cwt to $10.83 per cwt higher in the over 600 lb. category. Feeder heifers less than 600 lb. did not trade last week.

The Saskatchewan 750 lb. feeder steer basis compared to the August 1, 2013 U.S. feeder cattle index at US$149.49 per cwt was calculated at -$16.64 per cwt (US$149.49/0.9625 - $138.67), a basis widening of $2.78 per cwt from -$13.86 per cwt on June 27, 2013.

Fed and Non-fed Cattle

	August 2	June 28	Change
Cows (Alberta)			
D1,2 Live	80.08	75.29	+4.79
D3 Live	71.86	67.07	+4.79
Rail	151.00-156.00	146.00-151.00	+5.00

Source: Canfax.

Prices for liveweight, non-fed cattle in Alberta were higher from the previous month with D1,2 slaughter cows increasing $4.79 per cwt to average $80.08 per cwt, while D3 slaughter cows increased $4.79 per cwt to average $71.86 per cwt, from June 28.

Fed cattle prices in Western Canada have trended higher over the last few weeks after resuming trade from the major flood events in Alberta which left the Cargill plant in High River unable to slaughter cattle due to a lack of potable water. Fed steers in Alberta for the week ending August 2 were reported to average $120.17 per cwt, up from $119.86 per cwt the previous week, and up from $118.72 per cwt the week ending July 12, 2013.

The live (FOB feedlot) weighted average 5-area (Texas/Oklahoma/New Mexico, Kansas, Nebraska, Colorado and Iowa/Minnesota) weekly fed steer price in the U.S. was reported at US$120.35 per cwt, down slightly from US$120.57 per cwt the previous month (June 28). The dressed (delivered basis) price for U.S. steers delivered to plants in the 5-area was reported at US$194.27 per cwt, up slightly from US$193.80 per cwt the previous month.

The weekly average Choice beef cutout values (Choice 600-900 lb.) for the week ending Aug. 2 averaged US$186.68 per cwt, down from US$199.83 per cwt the week ending June 28, 2013.

On Friday July 19, 2013, the United States Department of Agriculture (USDA) released the monthly *Cattle on Feed Report* for June 1, 2013.

July 1, 2013, Cattle on Feed (in U.S. feedlots with 1,000+ capacity)

	2012	2013	Per cent of previous year
On feed June 1	11,077,000	10,739,000	97
Placed during June	1,664,000	1,587,000	95
Marketed during June	1,965,000	1,895,000	96
Other disappearance during June	66,000	63,000	95
On feed July 1	10,710,000	10,368,000	97

Source: USDA

The USDA Cattle on Feed (COF) report indicated that cattle on feed numbers for June 1, 2013 were 10.739 million head, down 3.0 per cent from 11.077 million head on June 1, 2012, but up slightly from 10.735 million head on May 1, 2013. The number of cattle placed on feed in June 2013 was down 4.6 per cent while the number of fed cattle marketed in June was down 3.6 per cent, compared to June 2012. The cattle on feed for July 1, 2012 was estimated at 10.368 million head, 3.2 per cent below July 1, 2012. The numbers were in line with the trade estimates.

On July 11, the World Agricultural Supply and Demand Estimates (WASDE) for July estimated that 97.4 million acres of corn were planted and based on 156.4 bushels per acre would produce a record 13.950 billion bushels of corn in the United States this year. Soybean production was estimated at 77.7 million acres and based on 44.5 million bushels per acre would produce 3.420 billion bushels of soybeans in the United States. On Friday August 12, USDA will release the August acreage report.

Corn futures prices continued to move lower over the last few weeks on expectations of a strong U.S. corn crop. September and December corn futures prices have declined significantly with the September contract declining about 71 cents and the December contracting declining by about 47 cents per bushel since June 28, 2013.

Friday Price Information

Product		This Week (August 2)	Week of: (June 28)
Canadian Dollar (closing rate US$)		.9625	.9508
U.S. Cash Cattle			
Thurs. Feeder Cattle (FC) Index (US$ per cwt)		149.49	137.73
Seven-day Weighted Average FC Index Wt. (lb.)		771	757
Live Fed 5-area Steer Price (US$ per cwt)		120.35	120.57
Feed Grains			
Barley	Lethbridge ($/tonne)	253.00	276.00
	($ per bu.)	5.51	6.01
Corn	Iowa State Average (CDN$/tonne)*	231.79	274.52
	(US$ per bu.)	5.69	6.63
	Omaha, NE (CDN$/tonne)*	233.01	295.63
	(US$ per bu.)	5.72	7.14
Futures			
	September Corn (US$ per bu.)	4.76	5.47¼
	December Corn (US$ per bu.)	4.63¾	5.11
	August Live Cattle (US$ per cwt)	120.650	122.025
	October Live Cattle (US$ per cwt)	124.475	125.675
	August Feeder Cattle (US$ per cwt)	153.725	149.450
	October Feeder Cattle (US$ per cwt)	159.150	153.150

Sources: Bank of Canada, Iowa Department of Agriculture and Land Stewardship, Chicago Mercantile Exchange (CME), ICE Futures Canada and USDA Livestock & Grain Market News
* conversion to CDN$ is based on Friday's CDN$ closing rate

Feeder cattle futures prices moved noticeably higher in July with the August to November 2013 feeder cattle futures prices increasing from US$4.275 per cwt to US$6.00 per cwt from the settlement price on June 28, 2013. Lower cash corn prices and lower corn futures prices over the month were a key factor helping feeder cattle futures prices move higher.

Live cattle futures prices also moved higher over the month with the August to December 2013 contracts increasing from US$1.325 per cwt to US$2.500 per cwt from the settlement price on June 28, 2013. High beef cutout values and improved U.S. beef exports were factors helping live cattle futures prices move higher over the month.

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